

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 2/16/07

SPONSOR Nava LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Colorectal Cancer Screening Insurance SB 851

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to House Bill 510

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Regulation Commission (PRC)

Public Education Department (PED)

Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

Senate Bill 851 adds new sections to the insurance code to mandate that health insurers, including HMOs and Nonprofit health care plans, provide insurance coverage for colorectal screening. The bill does not apply to short-term travel, accident-only or limited or specified benefit disease policies. The coverage would be subject to deductibles and coinsurance consistent with those imposed on other benefits under the policy.

The coverage shall make available CRC screening as determined by the health care provider in accordance with the evidence-based recommendations of the United States Preventive Services Task Force (USPSTF).

### FISCAL IMPLICATIONS

None identified.

## SIGNIFICANT ISSUES

According to DOH:

In 2004, nearly 38% of NM adults ages 50 and older reported never having had a CRC exam using fecal occult blood testing, sigmoidoscopy or colonoscopy (*NM Cancer Facts and Figures, 2007*). It is estimated that 860 new cases of CRC were diagnosed and 320 people died from the disease in NM [American Cancer Society (ACS), 2006 <http://www.cancer.org/downloads/stt/CAFF06EsMcSt.pdf>]. Screening and early detection for CRC can diagnose cancers earlier, when they are more responsive to treatment, and can also prevent the disease by the removal of pre-cancerous polyps. Diagnosing and treating CRC early results in a survival rate of 90% (ACS, 2005).

An analysis by the ACS shows that CRC screening rates rose faster and are significantly higher in states that passed coverage laws since 2001, compared to states with no laws (ACS, National Government Relations Dept, 2006). In 2005, the National CRC Research Alliance gave New Mexico a grade of ‘F’ in its report card due to lack of legislation requiring insurance providers to cover CRC screening. About 17 states have legislation mandating health plan coverage for CRC screening. The best legislation specifically defines the types of CRC screening covered and references accepted screening guidelines, allowing for the inclusion of coverage of future advances in screening methods.

The United States Preventive Services Task Force (USPSTF), the leading independent panel of private-sector experts in prevention and primary care, says that screening options for CRC include home fecal occult blood tests (FOBT), flexible sigmoidoscopy, the combination of home FOBT and flexible sigmoidoscopy, colonoscopy, and double-contrast barium enema. Each option has advantages and disadvantages that vary for individual patients and practice settings.

The United States Preventive Services Task Force recommendations are considered the “gold standard” for preventive services, and are used by the Clinical Preventive Initiative, a joint project of the NM Medical Society and the NM Department of Health.

PRC notes that most current health insurance coverage provides for colorectal screenings contemplated by SB 851 and mandating the coverage may be unnecessary. PRC’s Insurance Division has not received complaints concerning a lack of coverage for this procedure.

## PERFORMANCE IMPLICATIONS

DOH finds that SB 851 supports the NM Cancer Council’s goals to increase colorectal cancer screening among New Mexicans ages 50 years and older, and in younger New Mexicans who may be at higher risk.

## ADMINISTRATIVE IMPLICATIONS

None identified.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 851 relates to HB 510. The bills are identical except that HB 510 references “national medical standards” instead of “the evidence-based recommendations of the United States Preventive Services Task Force.”

## **TECHNICAL ISSUES**

On line 25 of page 1 insert the word “with” after “accordance” and before “the”.

## **OTHER SUBSTANTIVE ISSUES**

DOH indicates that colorectal cancer incidence rates are highest among non-Hispanic white men and lowest among American Indian women. Mortality rates are highest among black men and lowest among American Indian women. Incidence has been steadily declining for most racial/ethnic groups except for Hispanic and American Indian men. For Hispanic men the incidence of colorectal cancer doubled over the last 30 years, while in American Indian men it tripled. (*NM Cancer Facts and Figures, 2007*).

BE/mt